

MELLONIE A. GRIGG
LIA SOPHIA

8/8/2006

Dear Sir or Madam,

I am writing this letter because I am very concerned about the proposed Business Opportunity Rule R511993. I believe that in its present form, it could prevent me from continuing as a lia sophia fashion advisor. I understand that part of the FTC's responsibility is to protect the public from "unfair and deceptive acts or practices," yet some of the sections in the proposed rule will make it very difficult, if not impossible, for me to sell lia sophia products.

I have been with lia sophia for three and a half years. I became a fashion consultant because I needed to pay off a few bills. At the time that I started I was suffering from a pretty severe panic disorder and was very nervous about trying this business... but thank god I did!!! It has made all the difference in my life! I am now able to drive all over CT and MA by myself, which is something I could never do before. I stand in front of groups of women and entertain them. I am SO proud of myself and who I have become because of this business. I am VERY proud to share what I do with others, in hopes that it will strengthen their self esteem and financial situations as well. In September 2005 I was able to quit my job as a medical assistant and do lia sophia full time. I LOVE this company, and there is nothing deceptive about what we do!

One of the most confusing and burdensome sections of the proposed rule is the seven day waiting period to enroll new advisors. Lia Sophia's starter kit only costs \$99 and it includes over \$450 worth of jewelry in it! People buy t.v.'s, cars, and other items that cost MUCH more and they do not have to wait seven days to do so. This waiting period gives the impression that there might be something wrong with the company or the compensation plan, and there certainly isn't!!!

The proposed rule also calls for the release of any information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It does not matter if the company was found innocent. Today, anyone or any company can be sued for almost anything. It doesn't make sense to me that I would have to disclose these lawsuits unless lia sophia is found guilty. Otherwise, lia sophia and I are put at an unfair advantage even though the company, and myself have done nothing wrong.

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. I am glad to provide references, but in this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to strangers. Also, giving away this information could damage the business relationship of references who may be involved in other companies or businesses including those of competitors. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to lia sophia headquarters and then wait for the list. I also think the following sentence required by the proposed rule will prevent many people from wanting to sign up as a salesperson - "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." People are very concerned about their privacy and identity theft. They will be reluctant to share their personal information with complete strangers.

I appreciate the work that the FTC does to protect consumers, yet I believe this proposed new rule has many unintended consequences and there are less burdensome alternatives available to achieve your goals.

Thank you for your time in considering my comments

Sincerely,

Mellonie A. Grigg
lia sophia